

	<p align="center">SOLICITATION AMENDMENT</p> <p>Solicitation Number: <u>RFP YH09-0001</u> Amendment Number Four Solicitation Due Date: <u>March 28, 2008, 3:00 PM (MST)</u></p>	<p>Arizona Health Care Cost Containment System (AHCCCS) 701 East Jefferson Phoenix, Arizona 85034</p> <p>Solicitation Contact Person: Michael Veit, Contracts and Purchasing Administrator E-mail: <u>Michael.Veit@azahcccs.gov</u></p>
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A signed copy of this amendment must be returned with the proposal and received by AHCCCSA on or prior to the Solicitation due date and time.

Amendment #3 to the RFP extending the Capitation Bid and Related Finance Submissions resulted from changes made to the Reinsurance Offsets and further clarifications/changes to the proposed risk adjustment that will be applied to the capitation rates.

New reinsurance offsets will be posted to the Bidder's Library, Section N, Reinsurance Offsets, no later than April 2, 2008. The Bid Submission Tool will be updated by the AHCCCS Information Systems Division to accommodate the revised reinsurance offsets shortly thereafter.

See also Section F – Bid Submission Information in the Bidder's Library for further information regarding the Capitation Bid Submission.

Questions regarding the information in Amendment #4 ONLY will be accepted in the format previously communicated through this document and previous amendments and are due to AHCCCS by noon Monday, April 7th. Answers will be posted on the RFP Website by Thursday, April 10th. Any questions deemed by AHCCCS to be unrelated to Amendment #4 will be disregarded.

This solicitation is amended as follows:

1. **REPLACE** Section D. ¶53, COMPENSATION subparagraph 5 after list 2 with the following language:

“AHCCCS will be utilizing a national episodic/diagnostic risk adjustment model that will be applied to all Contractor specific capitation rates for all non-reconciled risk groups. Further methodology details will be shared with the Contractor prior to implementation.

Given anticipated membership changes that may be occurring due to the enhanced auto-assignment discussed in Section I Paragraph 9, Award of Contract, AHCCCS anticipates applying these risk factors by April 1, 2009 retroactively to the October 1, 2008, awarded capitation rates. For CYE 09, AHCCCS will apply approximately 80% of the capitation rate risk adjustment factor. Effective October 1, 2009, the full impact of the model will be applied.”

2. **ADD** Section I. ¶11, RFP MILESTONE DATES two rows below “Proposals Due By 3:00PM MST” in the table of milestone dates that states the following:

Reponses to Submission Requirements 12, 72, and 73 by 3:00 P.M. MST*	April 18, 2008
Contracts Awarded	No later than May 23, 2008

3. **ADD** Section I. ¶14, CONTENTS OF OFFEROR'S PROPOSAL under section III. Capitation, Question 12, following the sentence reading “The Offeror should assume that all AHCCCS-covered medical services are included in the capitation rates.” the following language:

“Bidders are to bid rates by GSA and risk category reflecting the expected average monthly cost of an enrollee who has average demographic and health status using the data provided by AHCCCS in the Bidder’s Library. Bidders should not take into account their own unique membership demographic or diagnosis experience, but can factor in the anticipated impact of the Contractor’s unique medical management and/or unit cost experience.”

The sentence beginning “The Offeror must prepare and submit its capitation proposal...” now begins a separate paragraph in this section.

4. **REPLACE** Section I. INSTRUCTIONS TO OFFERORS with Attachment A of this Solicitation Amendment (#4) within the ACUTE CARE RFP YH09-0001.

Offeror hereby acknowledges receipt and understanding of this Solicitation Amendment.		This Solicitation Amendment is hereby executed this 28 th day of March, 2008, in Phoenix, Arizona.
Signature	Date	
Typed Name and Title		Michael Veit
		Contracts and Purchasing Administrator
Name of Company		